

## DOCUMENT RESUME

ED 448 291

CE 081-052

AUTHOR Brown, Bettina Lankard  
TITLE Is the GED a Valuable Credential? Myths and Realities No. 10.  
INSTITUTION ERIC Clearinghouse on Adult, Career, and Vocational Education, Columbus, OH.  
SPONS AGENCY Office of Educational Research and Improvement (ED), Washington, DC.  
PUB DATE 2000-12-00  
NOTE 4p.  
CONTRACT ED-99-CO-0013  
AVAILABLE FROM For full text: <http://www.ericacve.org/fulltext.asp>.  
PUB TYPE ERIC Publications (071)  
EDRS PRICE MF01/PC01 Plus Postage.  
DESCRIPTORS Comparative Analysis; Dropout Research; \*Dropouts; \*Educational Attainment; \*Educational Benefits; \*High School Equivalency Programs; \*High School Graduates; High Schools; \*Outcomes of Education; Postsecondary Education; Program Effectiveness; Salary Wage Differentials; Wages  
IDENTIFIERS \*General Educational Development Tests

## ABSTRACT

A literature review explored the differences between the high school diploma and GED (General Educational Development) credentials and the value of receiving one in comparison to the other. The study found that GED recipients and high school seniors who take the five tests constituting the GED score similarly, but that test achievement does not signify educational equivalency. Skill disparities occur because high school graduates spend about four times as much time in classes as GED students, and GED students often have problems related to attitudes, values, and behaviors that led to their dropping out of school. The study also found that individuals earning a GED instead of a high school diploma earn substantially lower earnings long term. The study determined that the greatest benefit of obtaining a GED is the potential it offers for continuing education and training. Most GED recipients achieve grades that are almost comparable to those of high school graduates, especially in 2-year and technical programs. However, fewer GED holders than high school graduates who go on to 4-year colleges receive their diplomas. In general, it is less likely that GED recipients will be more successful than high school graduates, but they do achieve more than dropouts. Notwithstanding the lack of economic advancement, GED recipients tend to experience other successful outcomes compared to high school dropouts: higher self-esteem, greater satisfaction with their lives, more likelihood to encourage their children to finish school, and getting a better job. (KC)

## Is the GED a Valuable Credential? Myths and Realities No. 10

Bettina Lankard Brown

U.S. DEPARTMENT OF EDUCATION  
Office of Educational Research and Improvement  
EDUCATIONAL RESOURCES INFORMATION  
CENTER (ERIC)

- ☒ This document has been reproduced as received from the person or organization originating it
- ☐ Minor changes have been made to improve reproduction quality
- Points of view or opinions stated in this document do not necessarily represent official OERI position or policy

ERIC Clearinghouse on Adult, Career, and Vocational Education  
Center on Education and Training for Employment  
College of Education  
The Ohio State University  
1900 Kenny Road  
Columbus, OH 43210-1090

BEST COPY AVAILABLE

## Is the GED a Valuable Credential?

The GED (General Educational Development) credential was not created as a way to help dropouts acquire the equivalent of a high school diploma as many people believe. It was established during World War II as a way of helping veterans become eligible for postsecondary education without having to return to high school to earn a diploma. During the 1950s, however, the focus of the GED was enlarged and the option was afforded to anyone who had not graduated from high school. In 1999, more than one-half million people received GEDs; over 700,000 took the exam (Tyler, Murnane, and Willett 2000).

To receive a GED certificate, students who have dropped out of high school before graduation must pass all five of the required tests in reading, writing, math, science, and social studies. Successfully passing these tests certifies attainment of the specified knowledge and skills required for postsecondary education and training. It does not, however, signify the successful completion of a core high school curriculum or a 4-year course of study (Auchter 1998). What value does a GED have for high school dropouts and how does a GED credential translate to employment, earnings, further education, and personal well-being? This *Myths and Realities* examines these questions by exploring the differences between the high school diploma and GED credentials and the value of receiving one in comparison to the other.

### Do GED Recipients and High School Graduates Have Equivalent Skills?

GED recipients and high school seniors who take the five tests constituting the GED score similarly (Boesel, Alsalam, and Smith 1998). There are several reasons why this is true. For one, GED recipients tend to have completed more years of schooling than the typical dropout (finishing about 10 school years) and typically are of a higher socioeconomic status. As a result they have stronger cognitive skills that enable them to do well on the tests (ibid.). Second, GED recipients are older than high school graduates—having an average age of 25 (Boesel 1998). As a result they have more real-world experiences than high school graduates, which can contribute to positive test score outcomes.

In spite of these advantages, research suggests that test achievement does not signify educational equivalency and that GED holders' skills are not equivalent to those of high school graduates (ibid.). Two reasons for this are suggested in the literature: (1) GED holders lack in-depth knowledge and skills; and (2) GED holders lack employability skills.

In a study of students entering 2-year colleges, it was found that more GED recipients than high school graduates were placed in developmental reading, English, and math courses (Hamilton 1998). This should not be surprising when one considers the difference in hours devoted to study: A GED learner spends 100 hours of instruction for a 1-year gain in reading ability; a high school student spends over 400 hours in core curriculum classes.

A second reason for the disparity in skills is related to noncognitive characteristics. The reasons that dropouts have done poorly in school often are related to attitudes, values, and behaviors. Many GED recipients may still lack such attributes and skills as a strong work ethic, good interpersonal skills, and perseverance (Tyler 1998). Additionally, some of the life events that have led students to drop

out—pregnancy, marriage, family problems, poverty—pose continuing barriers to their ability to perform successfully. Most dropouts are nontraditional students who are likely to be on their own financially and are often single parents (ibid.).

### Do High School Dropouts Realize Large Payoffs from the GED?

The numbers of people who receive GEDs each year increased by approximately 300% between 1967 and 1998. Of the 500,000 people currently receiving GEDs each year, 200,000 are under the age of 20, and 50,000 are 16-17 years old (Chaplin 1999). At first glance, the payoff for getting a GED instead of staying in school to earn a high school degree seems large. For example, Tyler, Murnane, and Willett (1998) report that the earnings of young, white males increase significantly with GED certification. However, these benefits may reflect only a short-term gain. For example, a salary increase of over \$1,000 in 1 year may seem substantial; however, one needs to consider the base salary to which the raise has been added and the potential for continuing substantial raises over the subsequent years of employment. Most studies show that individuals earning a GED instead of a high school diploma earn substantially lower earnings long term (Chaplin 1999).

Chaplin (1999) suggests that some GED policies (those with limited restrictions) may encourage youth to leave high school with a plan to obtain an equivalency certificate. However, teenagers who drop out of school to get their GEDs typically do not get them while they are teenagers. Chaplin (1999) reports that "being allowed to get a GED without restrictions (except the age limit and national rules) is predicted to increase the GED rate by about 0.5 percentage points and lower high school continuation ratios by about 1.5 percentage points compared to not being allowed to get a GED at all" (online, n.p.). Thus, the benefit of allowing teenagers to get GEDs is questionable if these policies result in the high cost of increasing dropout rates.

### Does the GED Open Doors to Postsecondary Education and Training?

The greatest benefit of obtaining a GED is the potential it offers for continuing education and training. "Many postsecondary education and training programs are denied to uncredentialed dropouts, but open to GED holders" (Tyler 1998, online, n.p.). Today, people without a high school diploma are relegated to low-wage jobs or unemployment. Even the earnings of high school graduates decrease each year in relation to those who have college degrees. The road out of poverty and to economic security is linked to continuing education.

Avoiding poverty and the ramifications of unemployment may be the prime motivator for GED pursuit, as most GED recipients (60.5 percent) move on to some form of continuing education (Dean 1998). Technical programs, nondegree training programs, 2-year associate degree programs, and on-the-job training programs are some of the options these GED holders pursue. According to the American Council on Education, which administers the GED, two-thirds of GED candidates are seeking more education (Virshup 1999).

One of the appeals of pursuing a GED is the fact that today, over 95 percent of U.S. colleges and universities accept GED recipients as students (Chaplin 1999). Some institutions, however, require students to demonstrate additional evidence of their skills and abilities by achieving acceptable SAT and/or ACT scores. This may be why, once in college, GED recipients tend to achieve grades that are almost comparable with those of high school graduates. Those who enrolled in vocational or technical programs achieved grades of approximately the same level (Boesel 1998).

Acquiring a GED can open the door to many dropouts who could not afford the expenses of postsecondary education, as the certificate can enable a student to receive financial aid through Pell Grants and Guaranteed Student Loans (Boesel, Alsalem, and Smith 1998). This may be the support GED holders need to be able to complete a postsecondary program.

### Is the Military Interested in GED Recipients?

One might suppose that, since postsecondary institutions are welcoming students with GED credentials, the military would do likewise. However, since the mid-1980s, the U.S. military has set the limit for new recruits who have GEDs at 10 percent. It has also instituted a three-tier policy that places GED recipients in the second tier. These decisions were based on evidence of GED recipients' poor attrition rates (ibid.).

### Are GED Recipients Less Successful than High School Graduates?

John Garvey of CUNY describes two populations who take the GED: (1) people who attended good high schools and were passing their exams but dropped out because of an unforeseen circumstance, e.g., death of a parent, pregnancy; and (2) people who attended substandard schools and dropped out because they lacked interest, motivation, and skills that would lead them to graduation. Garvey contends that this second group—those with the lowest skills when they dropped out—realizes the biggest economic benefit to receiving their GED when they apply themselves. However, in general, it is less likely that GED recipients will be more successful than high school graduates (ibid.).

As in all speculations, there are exceptions to the rule. Wendy's founder Dave Thomas and comedian Bill Cosby are two famous GED recipients who have achieved substantial success. Although intelligence and talent may have helped their efforts, each of these famous GED holders was motivated, dedicated, and committed to their advancement and, most important, willing to invest in human capital development to achieve their goals.

National recognition and economic advancement are not the only type of achievement that leads to personal happiness and success. Dean (1998) itemizes four additional outcomes of GED certification based on his study of GED graduates in Pennsylvania:

- GED recipients tend to feel better about themselves than do dropouts who never return to school. They have an enhanced sense of self-esteem by knowing that they have accomplished requirements of educational certification.
- GED recipients tend to realize greater satisfaction with their lives than do dropouts. They are more apt to read, continue learning, and be financially secure.
- GED recipients are more likely to encourage their children to finish school as they realize the handicaps they have had to face by not completing high school themselves.

- GED recipients are more likely to get a better job than high school dropouts who do not return to school. They tend to have more full-time work and experience regular, uninterrupted employment.

Although as a group GED recipients may not achieve more than high school graduates, they do realize comparable outcomes when they apply themselves. However, as stressed by Chaplin (1999), GED policies must not make it easier for high school students to drop out; as such action can have unintended negative consequences. Staying in school is preferable to dropping out. However, in this information age, when wage inequality is increasing and education is a key to successful employment outcomes, the GED is a vital educational option that can help high school dropouts improve their labor market potential.

### References

- Auchter, J. "The Value of the GED Tests." *NCAL Connections* (Fall-Winter 1998): 1-4. (ED 430 124)
- Boesel, D. "The Street Value of the GED Diploma." *Phi Delta Kappan* 80, no. 1 (September 1998): 65-66, 68, 96.
- Boesel, D.; Alsalem, N.; and Smith, T. M. *Educational and Labor Market Performance of GED Recipients, Research Synthesis*. Washington, DC: National Library of Education, U.S. Department of Education, 1998. (ED 416 383).
- Chaplin, D. "GEDs for Teenagers: Are There Unintended Consequences?" Paper presented at the Annual Meeting of the Association for Public Policy Analysis and Management, Washington, DC, November 26, 1999. (ED 438 357) <<http://www.urban.org/education/ged.html>>
- Dean, G. J. "The Value of Obtaining a GED in Pennsylvania." *PAACE Journal of Lifelong Learning* 7 (1998): 73-85.
- Hamilton, J. *First-Time Students Entering a Two-Year Public College with a GED. Fall 1991 to Fall 1996*. Gainesville, GA: Office of Planning and Institutional Research, Gainesville College, 1998. (ED 415 938)
- Tyler, J. H. "Results from a New Approach to Studying the Economic Benefits of the GED." *Focus on Basics* 2, no. B (June 1998). <<http://gseweb.harvard.edu/~ncsall/fob/1998/tyler.htm>>
- Tyler, J. H.; Murnane, R. J.; and Willett, J. B. *The Devil Is in the Details. NCSALL Reports #16*. Cambridge, MA: National Center for the Study of Adult Learning and Literacy, 2000.
- Virshup, A. "Ticket to Where?" *The Washington Post Magazine* (July 25, 1999) 22, 24, 55, 56.

This project has been funded at least in part with Federal funds from the U.S. Department of Education under Contract No. ED-99-CO-0013. The content of this publication does not necessarily reflect the views or policies of the U.S. Department of Education nor does mention of trade names, commercial products or organizations imply endorsement by the U.S. Government. *Myths and Realities* may be freely reproduced and are available at <<http://ericacve.org/fulltext.asp>>.



**Center on Education and Training  
for Employment**  
College of Education  
The Ohio State University  
1800 Kenny Road  
Columbus OH 43210-1090